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Coalition
Board of Directors

★★★

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Ocean Way Recording

★★★

Kerry Morrison
*Consultant to the
Board*



October 31, 2011

TO: Miranda Paster
Office of the City Clerk

FROM: Kerry Morrison 
Executive Director
Hollywood Property Owners Alliance,
Managing entity of the Sunset & Vine BID for
Central Hollywood Coalition

SUBJECT: Third Quarter Report: July 1, 2011 thru September 30, 2011

As is required in our agreement with the City of Los Angeles, I am submitting our Third Quarter Report to summarize key activities of the Sunset & Vine Business Improvement District.

I. Operational Issues

- Over the course of this quarter, Treasurer Duke Gallagher reported that public sector assessments, such as the CRA properties and LAUSD, have not been received to date. So far, we received about 75% of the private sector assessments. He also reported that more funds were deposited at Comerica Bank, which has a better interest rate.
- The historic Sunset Gower Studios graciously offered to host our annual All Property Owners meeting on August 3rd. In addition to reviewing activities over the past year, as well as the state of the BID budget, this year's meeting primarily focused on BID renewal.
- John Given, of CIM Group, is due to be appointed to the board to fill a mid-year vacancy in the October board meeting.

II. Security Issues

- In the July board meeting, Morrison informed the board that the upcoming security committee meeting would include a philosophical discussion on concerns raised by LAPD, including the feeling that BID stakeholders are calling BID security instead of LAPD. She said the committee will need to come up with a way to educate the stakeholders in what type of incidents merit a call to LAPD, rather than BID security, and this conversation will aid in that effort. In the past five years, calls for services have gone up 159%.
- Joe Salazar of Andrews Intl. reported on the arrest of the “Tourist Bandit”, who was a suspect wanted by the FBI. The suspect was apprehended by BID officers. LAPD Captain Bea Girmala awarded certificates to both officers at the September board meeting.
- At the request of the LAPD Hollywood Division, special cards were created, for distribution to business and property owners to ensure that stakeholders know to call LAPD if there are serious issues that require response. At issue was some concern that BID security was arriving at situations that were best handled by professional law enforcement. Therefore, several thousand cards were created that say:

A Friendly Reminder from your BID Security and the LAPD: The purpose of the BID Security Patrol is to provide security services in the public right-of-way. BID Security is not intended to replace private security in your business. Property owners and/or their tenants may contact BID security for assistance with routine security issues that arise on the sidewalks, or in public areas around their properties. Call 323-466-0122. FOR ALL EMERGENCIES CALL 911.

- As of the end of this reporting period, the BID security vendor Andrews International, logged the following activity statistics: 250 private persons’ arrests; 957 calls for service; 4,136 citizen contacts; 135 social service referrals and 1,543 business contacts.

III. Streetscape

- The staff reported on a new city contract being forged with Martin Outdoor Media which will result in the installation of 4,000 metal bus benches throughout the city. The board directed the staff to write a letter to the city expressing the BID’s opposition to placing benches on the Walk of Fame.

- Also in the July meeting, Mariani advised the board that there will be a public information meeting on July 20th regarding a proposal to franchise solid waste services in various areas of the city. BIDs and commercial businesses have expressed strong concerns against the initiative, as they are worried it could raise prices for waste hauling throughout the city. Mariani agreed to provide an update on the progress of the proposal in September.
- In the September meeting, Sarah MacPherson reported that it looks like the BID can proceed with the program by purchasing the tables and chairs for Chase Plaza, but that it is necessary to work out a memorandum of understanding regarding the insurance liability with Chase Bank. Gallagher stated that the board has already approved the streetscape budget, so it was important that the furniture falls within budget.
- Also in September, MacPherson notified the board about the maintenance contract with Clean Streets, due to end this year. The BID has an option to renegotiate or renew the old contract rather than sending it out to bid. The contract is set to expire at the end of the year. It was noted that there has been no increase in their contract for years. MacPherson mentioned that Rick Anderson of Clean Streets said that they would be willing to renew the current contract with no additional increase.

IV. Marketing Issues

- In the July board meeting, Devin Strecker reported that the Hollywood Visitor's Guide is nearing completion and he is working with Fabio Conti on a special feature for restaurants in the Sunset & Vine BID.
- Also in July, Devin Strecker reported that he has created a social media presence known as "Hollywood HQ" which is essentially an extension of Hollywood Happenings, on both Facebook and Twitter. This will update people about events and stories from both BIDs.
- CBS Radio met with the Board in September and presented a marketing opportunity for a day of broadcast from Hollywood, scheduled for January 27, 2012. It would be called "On Your Corner," and the radio station was seeking ideas on potential sponsors, and ultimately on story ideas. Staff will be working with CBS and area businesses to identify potential sponsors who would like to be featured on the broadcast.

V. Other

- In the September meeting, it was noted that staff had gone to city hall when the City Clerk opened the ballots for the Sunset & Vine BID renewal. Out of 53 ballots returned, property owners voted 88.57% in favor of the new BID. There was no public comment, so the city council did a consent vote.
- Also in September, it was noted that Devin Strecker will be attending the CDA conference in Riverside on October 12-14, supported by the CHC/Sunset & Vine BID. Devin will report back to the board on what he learned.
- Staff began monitoring activities at City Hall relative to the potential to franchise solid waste disposal in the city.

CENTRAL HOLLYWOOD COALITION

2011 RECONCILIATIONS

	Quicken Bal Sheet	Banks	Quicken I&E	Excel Cash Flow
Chase	101,222.08	101,222.08		
Comerica	105,437.77	105,437.77		
WF Savings	3,174.36	3,174.36		
WF Checking	191,830.13	205,250.13		
Balances 30 September 2011	401,664.34	415,084.34	167,353.77	337,817.86
Accounts Receivable, LA City	10,981.54	10,981.54		
Accounts Payable & Delinquencies	(74,828.02)	(74,828.02)		
Checks Issued not cashed or deposited	13,420.00	(13,420.00)		
Balance Forward from 2010	170,464.09		170,464.09	
Adjusted Balances (Equity) 30 September 2011	337,817.86	337,817.86	337,817.86	337,817.86

CENTRAL HOLLYWOOD COALITION PROJECTED CASH FLOWS 2011

10-OCT-11

	ACTUALS												PROJECTIONS			Total
	January	February	March	April	May	June	July	August	September	October	November	December				
Receipts																
Balance Forward from 2010	170,464														170,464	
2011 Property Assessments	478,805		119,727	69,680	9,851	317,562			186,696	41,000	41,000	41,000			1,305,223	
Receivables & Penalties				328											326	
Estimated Interest Income Wells Fargo, Chase	53	127	151	373	147	90	87	58	34	191	191	191			1,692	
Estimated Interest Income County & City				63		278				553	553	553			2,000	
Total Projected Receipts	649,322	127	119,878	70,342	9,998	317,929	87	58	186,730	41,744	41,744	41,744			1,479,705	
Expenditures																
1. Neighborhood Issues																
a. Security	67,028	55,304	54,503	53,401	66,649	69,118	54,650	40,255	83,211	65,127	65,127	65,127			739,500	
b. District Maintenance	30,798	30,798	30,798	30,798	30,798	30,798	30,798	30,798	30,798	33,273	33,273	33,273			377,000	
c. Beautification										7,250	7,250	7,250			21,750	
d. Marketing		300	2,977	300	1,309	2,320	2,495	998	600	8,317	8,317	8,317			36,250	
e. Social Services										5,317	5,317	5,317			15,950	
2. Management Contract	25,000	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	8,333	8,333	8,333			150,000	
3. Office Expense	12	12	30	63	48	28	39	39	39	430	430	430			1,600	
4. Professional Services																
a. Consultants				5,933			9,767			0	0	0			15,700	
b. Accounting					3,500		1,900	800		333	333	333			6,200	
c. Legal										96	96	96			1,000	
d. Insurance	10,711														11,000	
5. Taxes and Fees	26,204		(99)				20	10							26,134	
6. a. Contingency																
b. Delinquency										11,150	11,150	11,150			33,450	
Total Projected Expenditures	159,752	98,914	100,709	102,984	114,804	114,764	112,169	85,400	127,148	139,827	139,827	154,127			1,450,034	
Net Cash	489,570	(98,787)	19,169	(32,653)	(104,806)	203,165	(112,082)	(85,342)	59,583	(97,883)	(97,883)	(112,383)			29,670	
Cumulative Cash	489,570	390,783	409,952	377,300	272,494	475,659	363,577	278,235	337,818	239,935	142,053	29,670			29,670	

Gross Estimated Billings \$ 1,305,222.84

	Management Plan		2010 Budget		Actuals to Date	
	%	\$	%	\$	%	\$
Security	52.8%	689,168	51.0%	739,500	53.5%	544,119
Maintenance	19.5%	254,518	26.0%	377,000	27.3%	277,182
Beautification	4.1%	53,514	1.5%	21,750		
Marketing	2.9%	37,851	2.5%	36,250	1.1%	11,299
Social Services	1.6%	20,884	1.1%	15,950		
Administration, Legal, Accounting	14.2%	185,342	12.4%	179,800	15.5%	157,919
Taxes & City Fees	1.7%	22,242	1.8%	26,100	2.6%	26,134
Contingency	0.7%	9,083	2.7%	39,150		
Delinquencies	2.5%	32,631	1.0%	14,500		
Totals	100%	1,305,223	100%	1,450,000	100%	1,016,654

CENTRAL HOLLYWOOD COALITION

CASH FLOW TO DATE AND BALANCE TO DATE

30-SEP-11

	ACTUALS To Date	BALANCE In Budget	TOTAL 2,011
Receipts			
Balance Forward	170,464		170,464
Net Property Assessments	1,182,222	123,001	1,305,223
Receivables & Penalties	326		326
Interest Income Wells Fargo	1,120	572	1,692
Interest Income County & City	341	1,659	2,000
Total Receipts and Budgeted Balance	1,354,472	125,232	1,479,705
Expenditures			
1. Neighborhood Issues			
a. Security	544,119	195,381	739,500
b. District Maintenance	277,182	99,818	377,000
c. Beautification		21,750	21,750
d. Marketing	11,299	24,951	36,250
e. Social Services		15,950	15,950
2. Management Contract	125,000	25,000	150,000
3. Office Expense	309	1,291	1,600
4. Professional Services			
a. Consultants	15,700	0	15,700
b. Accounting	6,200		6,200
c. Legal		1,000	1,000
d. Insurance	10,711	289	11,000
5. Taxes and Fees	26,134		26,134
6. a Contingency/		33,450	33,450
b Delinquency		14,500	14,500
Total Expenditures and Budgeted Balance	1,016,654	433,380	1,450,034
Net Cash	337,818	(308,148)	29,670

Balance Sheet - As of 30-Sep-11:9

As of 30-Sep-11 (Cash Basis)

10-Oct-11

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Account	30-Sep-11 Balance
ASSETS	
Cash and Bank Accounts	
Chase Checking	5,000.00
Chase Savings	96,222.08
Comerica Checking	5,145.25
Comerica Savings	100,292.52
Wells Fargo Savings	3,174.36
Wells Fargo, New Checking	191,830.13
TOTAL Cash and Bank Accounts	401,664.34
Other Assets	
Accounts Receivable	10,981.54
TOTAL Other Assets	10,981.54
TOTAL ASSETS	412,645.88
LIABILITIES & EQUITY	
LIABILITIES	
Other Liabilities	
Accounts Payable	72,801.00
Stakeholder Delinquencies	2,027.02
TOTAL Other Liabilities	74,828.02
TOTAL LIABILITIES	74,828.02
EQUITY	337,817.86
TOTAL LIABILITIES & EQUITY	412,645.88

Cash Flow Last Month - Last month:6

01-Sep-11 through 30-Sep-11

10-Oct-11

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Category Description	01-Sep-11- 30-Sep-11
INFLOWS	
Interest Inc	34.33
Sunset & Vine BID 2011	186,696.15
TOTAL INFLOWS	186,730.48
OUTFLOWS	
Bank Charge	38.90
HPOA Administration Contract	12,500.00
Marketing	600.00
Security	
Data Base Software	250.00
Other Security	82,960.88
TOTAL Security	83,210.88
Street Scape	30,798.00
TOTAL OUTFLOWS	127,147.78
OVERALL TOTAL	59,582.70

Income/Expense Comparison by Category:2

01-Jan-10 through 30-Sep-11 (Cash Basis)

10-Oct-11

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Category Description	01-Jan-10- 30-Sep-10	01-Jan-11- 30-Sep-11	Amount Difference
INCOME			
Bonus	0.00	200.00	200.00
Interest Inc	1,748.58	919.66	-828.92
Interest Inc Los Angeles	1,488.28	340.57	-1,147.71
Penalty	6,219.61	0.00	-6,219.61
Sunset & Vine BID 2009			
Other Sunset & Vine BID 2009	31,503.55	0.00	-31,503.55
TOTAL Sunset & Vine BID 2009	31,503.55	0.00	-31,503.55
Sunset & Vine BID 2010	986,759.12	325.75	-986,433.37
Sunset & Vine BID 2011	0.00	1,182,222.14	1,182,222.14
TOTAL INCOME	1,027,719.14	1,184,008.12	156,288.98
EXPENSES			
Accounting	4,252.17	6,200.00	-1,947.83
Bank Charge	66.65	308.90	-242.25
Beautification	3,701.65	0.00	3,701.65
Consulting Fees	2,437.50	15,699.52	-13,262.02
Contingency	10,000.00	0.00	10,000.00
Fees	26,307.90	26,104.46	203.44
HPOA Administration Contract	125,000.00	125,000.00	0.00
Insurance	10,711.00	10,711.00	0.00
Marketing	52,782.99	11,299.41	41,483.58
Office			
Misc	657.84	0.00	657.84
Other Office	75.00	0.00	75.00
TOTAL Office	732.84	0.00	732.84
Security			
Data Base Software	2,250.00	2,250.00	0.00
Other Security	546,509.84	541,869.06	4,640.78
TOTAL Security	548,759.84	544,119.06	4,640.78
Street Scape	277,182.00	277,182.00	0.00
Tax			
State	0.00	20.00	-20.00
Other Tax	10.00	10.00	0.00
TOTAL Tax	10.00	30.00	-20.00
TOTAL EXPENSES	1,061,944.54	1,016,654.35	45,290.19
OVERALL TOTAL	-34,225.40	167,353.77	201,579.17